

Ethiopia FY 2004 OFDA Program Strategy

HUMANITARIAN SITUATION

Successive and cumulative climatic shocks, combined with the effects of economic losses in agricultural and livestock markets, as well as the collapse of many livelihood systems and long-term cumulative vulnerabilities have eroded the asset base and coping strategies of millions of Ethiopians and resulted in unsustainable coping strategies by the most affected. The effects of the current crisis have caused suffering and widespread food insecurity across a broad area of Ethiopia resulting in massive humanitarian requirements simply to meet the minimal needs of more than 13 million people.

The combined affects of frequent and recurring drought, lack of a safety-net, and other complicating factors such as decentralization have resulted in high levels of acute malnutrition, high morbidity, elevated mortality among children under five, as well as widespread poverty. Collapse of state run farms, coffee prices, livestock markets, and agricultural policy leave few options for alternative income sources.

The international humanitarian response in FY 2003 saved lives and prevented distress migration, but existing institutions, including the health surveillance system, are inadequate and unable to respond to emergency needs within the community. Ethiopia is currently facing three public health crises: malnutrition, malaria, and measles. Widespread malnutrition is a public health crisis resulting from crop production failures, inconsistent quantities and targeting in the distribution of food rations, single commodity cereal rations, high rates of diarrheal and infectious diseases, and lack of dietary diversity.

HUMANITARIAN OUTLOOK FOR FY 2004

The current crisis has increased already high numbers of deeply impoverished, vulnerable households. The level of vulnerability in 2004 cannot be accurately predicted until *meher* crop assessments and enhanced non-food assessments are conducted. However, USAID's Famine Early Warning Network (FEWSNET) predicted that the number of chronically food insecure in Ethiopia will increase from approximately 6 million to between 8 and 10 million in FY 2004. The updated Joint Government-U.N. Appeal for Ethiopia estimated that \$40 million will be needed between August and December 2003 to meet non-food needs in health, nutrition, water, and agriculture.

The most likely scenario in 2004 is for a moderate harvest accompanied by pockets of low production. This will provide some respite to households; however, the influx of grain and pulses onto the market may cause prices to plummet. Ethiopia's storage capacity and ability to deal with market surpluses is extremely limited. Due to the extensive nature of last year's drought, both in depth and breadth, additional agricultural recovery assistance will be required. The high debt burden carried by subsistence farmers will limit their ability to access seeds through credit. In addition, access to potable water is chronically low (approximately 75 percent of the population relies on unprotected sources). Efforts to rehabilitate existing sources and dig shallow wells continue to be needed to curb disease outbreaks.

HUMANITARIAN RESPONSE PLAN

Goal: Reduce mortality; respond to acute emergency needs; facilitate recovery of affected households and where possible, mitigate against vulnerability to future shocks through links to development activities.

Priority Sectors

The massive and complex nature of the crisis requires responses in several sectors. In any scenario, USAID/OFDA will adjust programs to meet the most critical needs first, followed by recovery and other transitional activities that link emergency relief efforts to development initiatives.

Recovery activities with a clearly defined link to longer-term efforts, and follow-on funding, to combat the cyclical nature of drought-related emergencies in Ethiopia will have priority. Given the prevailing poor infrastructure, limited access to basic services, and chronically high levels of vulnerability strong relief to development links are required in health (disease surveillance and response), agriculture recovery; water source development, and support of alternative livelihoods interventions.

- (a) Health and nutrition. Continued high levels of acute malnutrition will be exacerbated by malaria and other disease outbreaks. Malaria prevention activities are prioritized. A follow-up measles campaign is needed to mitigate against outbreaks. Seed funds for a health/disease surveillance system will be considered with the commitment of longer term development funding, as well as other localized public health interventions.
- (b) Agriculture. Emergency provision of seeds and promotion of improved varieties of seeds through seed fairs and vouchers to increase crop resilience. In addition to replacing seeds lost, the aim is to lay a base for sustainable market-based seed system development through private sector involvement, farmer-based suppliers and NGOs. Agricultural activities will be coordinated with USAID/Ethiopia, Economic Growth Agriculture and Trade (EGAT), Regional Bureau for Africa (AFR), and regional institutions.
- (c) Water and sanitation. Chronic underdevelopment in water and sanitation will continue to contribute to disease outbreaks and low production. Rehabilitation of existing water sources and shallow wells will be prioritized along with development of more permanent solutions (including boreholes) in areas receiving tankered water.
- (d) Livelihoods. Limited alternatives to agriculture (including pastoralism) will impede recovery at the household and community levels. Outside support will be required to protect remaining, and rebuild lost, assets. Interventions that promote alternatives, such as cash grants will be prioritized.
- (e) Local NGO capacity building. Local NGOs are an important resource for expansion of relief and transition activities; however, OFDA is constrained by the limited number of local NGOs whose financial and accounting systems meet USAID funding requirements. Capacity building programs that support expanded delivery of emergency and recovery activities serve the dual purpose of meeting immediate needs and increasing local capacity to respond to future emergencies.

The magnitude of the current crisis necessitates a continued robust response. The USAID's Disaster Assistance Response Team (USAID/DART) will be extended through December 2003 in order to monitor, respond, adjust programs as necessary, and to link relief activities to development as appropriate. In January, minimally, USAID/OFDA will have an Emergency Disaster Response Coordinator (EDRC) and program monitors in country, and will deploy additional technical expertise as needed.

For the duration of the USAID/DART, applications for funds will be reviewed simultaneously in the field and USAID/OFDA in Washington. Organizations requesting funds should submit applications to both:

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USAID/OFDA has issued two Annual Program Statements (APS) soliciting proposals for (1) **agricultural and livelihoods recovery initiatives**, and (2) **local capacity building activities**. All proposals for interventions in these sectors must be submitted in accordance with the APS guidelines. The full APS documents can be found at http://fedgrants.gov/Applicants/AID/OP/WAS/activity_1.html.

Proposals in the health, nutrition, water and sanitation sectors will be reviewed as received and should support USAID/OFDA's strategy for Ethiopia as described above. Proposals for interventions that are not prioritized are less likely to be funded.

HORN OF AFRICA PASTORALIST INITIATIVE

Many of the problems faced in pastoralist communities in the Horn are chronic, but can quickly deteriorate into emergency conditions during a drought, flooding, or other climatic event. Current funding throughout the region is aimed more at settled communities, which are easier to reach than nomadic communities, and more likely to have positive effects over the short term. Given the vulnerability of pastoralist communities throughout the region, USAID/OFDA has issued a Regional Horn Pastoralist APS. The pastoralist APS is designed to fill the gaps that exist in reaching nomadic communities. Programs funded under this APS will serve to increase community resilience to climatic shocks, helping to strengthen the ability of the pastoralists themselves to respond to changing conditions. Interventions will be aimed at providing technical assistance or material inputs as needed, concentrating on sustainable programs. Concern for the environment, existing marketing systems, and functioning civil programs will be inherent in any programs funded and implemented, and each must be expected to have a positive impact on community resiliency over a 12-18 month period. The full APS may be found at http://fedgrants.gov/Applicants/AID/OP/WAS/activity_1.html.